



In the 2003 filing season we processed personal income tax returns, on average, three days faster than we did in 2002, and, we did it with less staff. A new letter-sorting machine, increased usage of our *Image Processing and Cashiering System*, and a 14.7 percent increase in the number of returns filed electronically contributed to a successful return processing season.

Here is a rundown of how many documents we processed, tax dollars we collected, and some of the more common errors taxpayers (and tax practitioners) committed this filing season.

This season we:

- Processed 8,877,546 personal income tax refund returns, three days faster than last year with an average refund of \$606 per return.
- Deposited \$14,516,431,898.

FILING SEASON STATISTICS			
	2003*	2002*	Increase/decrease-
Return Type Received:			
Current year			
➤ 540	8,028,881	7,722,452	+4.0%
➤ 540 A	2,916,473	3,131,994	-6.9%
➤ 540 2EZ	1,786,060	1,946,733	-8.3%
➤ 540 NR	505,625	527,603	-4.2%
➤ Amended	71,329	73,930	-3.5%
➤ SUBTOTAL	13,308,368	13,402,712	-0.7%
Previous/Prior			
➤ Previous/Prior	580,078	545,997	+6.2%
➤ 541 (all years)	253,498	252,469	+0.4%
➤ SUB TOTAL	833,576	798,466	+4.2%
GRAND TOTAL	14,141,944	14,201,178	-0.4%
Electronic Returns Received:			
➤ e-file	3,680,181	3,079,918	+19.5
➤ telefile	121,267	233,986	-48.2
GRAND TOTAL	3,801,448	3,313,904	+14.7
Business Entity Tax Returns Received:			
➤ Bank and Corporation	405,930	371,309	+9.3%
➤ Partnership	145,868	152,934	-4.6%
➤ Limited Liability Company	77,728	65,530	+18.6%
GRAND TOTAL	629,526	589,773	+6.7%

FILING SEASON STATISTICS (CONTINUED)			
	2003*	2002*	Increase/decrease-
Bank deposits -- personal income tax:			
➤ Paper	\$9,784,038,730	\$10,794,758,012	-9.4%
➤ Electronic funds withdrawal	\$140,889,414	\$125,624,310	+12.2%
➤ Credit card	\$51,895,532	\$37,945,482	+36.8%
Bank deposits – business entities			
➤ Paper	\$1,169,618,496	\$1,127,612,101	+3.7%
➤ Electronic funds withdrawal	\$3,306,431,869	\$2,589,622,916	+27.7%
Bank deposits --non-tax			
➤ Paper	\$61,828,370	\$73,720,745	-16.1%
➤ Electronic funds withdrawal	\$1,729,487	\$2,162,642	-20.0%
➤ TOTAL	\$14,516,431,898	\$14,751,446,208	-1.6%



Top 5 Most Common Errors	
➤ Estimated tax payments were revised because the amount of estimated tax payments claimed on a return did not match the estimated tax payments received by FTB.	167,860
➤ Exemption amounts claimed on a return were not correct because (a) the taxpayer did not transfer the correct total exemption amount, (b) the taxpayer did not correctly compute the amount or number of exemptions, or (c) the total exemption amount was reduced or disallowed because of adjusted gross income limitations.	94,442
➤ The tax amount was not correctly computed.	68,448
➤ There was an error in computing total credits or tax liability.	64,338
➤ Total tax liability on the 540 2EZ was not computed correctly based on the AGI, filing status claimed and dependents claimed.	60,905

*Figures represent the processing season, January 1 – May31, 2003.